

quinn emanuel trial lawyers | new york

51 Madison Avenue, 22nd Floor, New York, New York 10010 | TEL 212-849-7000 FAX 212-849-7100

WRITER'S DIRECT DIAL NO.
(212) 849-7150

WRITER'S INTERNET ADDRESS
michaelcarlinsky@quinnemanuel.com

February 10, 2014

VIA E-FILE & HAND DELIVERY

The Honorable Lewis A. Kaplan
United States District Court
Southern District of New York
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street
Court Room 21B
New York, NY 10007-1312

Re: *American International Group, Inc., et al., v. Bank of America Corp., et al.*,
Case No. 11-cv-6212

Dear Judge Kaplan:

We respectfully write on behalf of Plaintiffs ("AIG") to respond to two mischaracterizations in Defendants' February 6, 2014 letter.

First, Defendants ignore that, because the Residential Capital bankruptcy was filed after Defendants removed this case, that bankruptcy cannot form any basis for "related-to" jurisdiction. (*See, e.g.*, D.E. 96, at 8). As the Court's jurisdiction cannot be based on this bankruptcy, the analysis of whether to abstain/equitably remand this action pursuant to 28 U.S.C. §§ 1334(c)(1) and 1452(b)

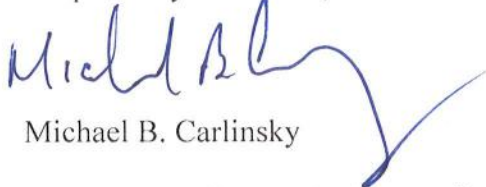
quinn emanuel urquhart & sullivan, llp

LOS ANGELES | 865 South Figueroa Street, 10th Floor, Los Angeles, California 90017 | TEL 213-443-3000 FAX 213-443-3100
SAN FRANCISCO | 50 California Street, 22nd Floor, San Francisco, California 94111 | TEL 415-875-6600 FAX 415-875-6700
SILICON VALLEY | 555 Twin Dolphin Drive, 5th Floor, Redwood Shores, California 94065 | TEL 650-801-5000 FAX 650-801-5100
CHICAGO | 500 West Madison Street, Suite 2450, Chicago, Illinois 60661 | TEL 312-705-7400 FAX 312-705-7401
WASHINGTON, D.C. | 1299 Pennsylvania Avenue NW, Suite 825, Washington, D.C. 20004 | TEL 202-538-8000 FAX 202-538-8100
LONDON | 16 Old Bailey, London EC4M7EG, United Kingdom | TEL +44 (0) 20 7653-2000 FAX +44 (0) 20 7653-2100
TOKYO | NBF Hibiya Bldg., 25F, 1-1-7 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, Japan | TEL +81 (0) 3 5510-1711 FAX +81 (0) 3 5510-1712
MANNHEIM | Mollstraße 42, Mannheim 68165, Germany | TEL +49 (0) 621 43298-6000 FAX +49 (0) 621 43298-6100
HAMBURG | An der Alster 3, Hamburg 20099, Germany | TEL +49 (0) 40 89728-7000 FAX +49 (0) 40 89728-7100
MOSCOW | 10 Vozdvizhenka Street, 3rd Floor, Moscow 125009, Russia | TEL +7 495-797-3666 FAX +7 495-797-3667

should not take this bankruptcy into account.¹ Therefore, the Residential Capital bankruptcy is irrelevant.

Second, contrary to Defendants' assertion that AIG is requesting abstention/remand to New York state court only of the portion of this case pending in this Court, AIG in fact is asking this Court to remand the *entire* case to New York state court, both the portion of the case pending in this Court and the portion pending in the Central District of California as part of the Countrywide MDL proceeding. The scope of AIG's request is clear from our prior briefs. (*See, e.g.*, D.E. 92, at 6-8). Accordingly, this Court should disregard Defendants' argument that inefficiencies would be created by remanding to New York state court only one portion of this case. Moreover, and as AIG has already made clear, supposed federal-court efficiencies in the Countrywide MDL (namely, the ability to coordinate the California portion of this case with other cases in the MDL) have nothing to do with the effect of the New York or California portions of this case on bankruptcy cases, and are therefore irrelevant to this Court's consideration of abstention/equitable remand. (*See, e.g.*, D.E. 92 at 22-23).

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael B. Carlinsky", with a long, sweeping flourish extending to the right.

Michael B. Carlinsky

cc: Counsel of Record (via e-mail)

¹ AIG notes that it has invoked not only permissive abstention under 28 U.S.C. § 1334(c)(1), but also mandatory abstention under 28 U.S.C. § 1334(c)(2). (*See* D.E. 96, at 3-4).